Committee for investment promotion

1474. SHRI NANA DESHMUKH: Will the Minister of FINANCE be pleased to state:

(a) whether Government have appointed a Committee for investment promotion and coordinate strategy to achieve eight per cent GDP growth target;

(b) if so, by when, it is likely to submit its report;

(c) whether it is a fact that the GDP growth has not created much jobs in the economy as a whole; and

(d) if so, whether the Committee would also look into this aspect too?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) (b) and (d) Yes Sir. The Government has constituted an Investment Promotion and Coordination Task Force under the chairmanship of Economic Advisor to the Prime Minister. The terms of reference of the Task Force includes identification of measures for growth of investment, particularly for small and medium scale enterprises and traditional manufacturing sectors having growth potential. The Task Force has decided to have discussions with associations of industry, banks and financial institutions for designing strategy and policy framework for achieveing a growth rate of 8 per cent per annum with concomitant increase in capacity expansion, employment generation and technological upgradation.

(c) It may be observed from the following table that overall employment growth rate has decelerated from 2.67 per cent during 1983- 1993-94 to 1.07 per cent during 1993-94 1999-2000, primarily due to slower growth in agricultural employment. However, employments in sectors like trade, construction, financial services, transport, storage & communications and manufacturing have higher growth rates. This reflects structural changes in product markets in the post-reform period.

Sector	Annual growth percent	
	1983 to 1993-94	1993-94 to 1999-2000
Agriculture	2.23	0.02
Industry		
Mining & quarrying	3.68	-1.91
Manufacturing	2.36	2.58
Electricity, gas and water supply	5.31	-3.55
Construction	4.18	5.21
Services		
Trade, hotels and restaurant	3.80	5.72
Transport, storage & communications	3.35	5.53
Financial, insurance, real estate & business services	4.60	5.40
community, social & personal services	3.85	-2.08
All Sectors	2.67	1.07

Source: Economic Survey 2002-03.

Loans to farm sector

1475. PROF. ALKA BALRAM KSHATRIYA: Will the Minister of FINANCE be pleased to state:

(a) whether Government have taken any decision on issue of extending loans to farm sector for buying tractors, power tillers and other farm implements on same terms and conditions for motor vehicles in urban area;

(b) if so, whether Government are also considering to reduce rate of interest of loans for this purpose;